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BEFORE THE ARIZONA CORPORATION COMMISSION  
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AZ CORP COMMISSION  
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Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY, AN ARIZONA  
CORPORATION, FOR A DETERMINATION  
OF THE FAIR VALUE OF ITS UTILITY  
PLANT AND PROPERTY, AND FOR  
ADJUSTMENTS TO ITS RATES AND  
CHARGES FOR UTILITY SERVICE  
FURNISHED BY ITS WESTERN GROUP  
AND FOR CERTAIN RELATED  
APPROVALS.

Docket No. W-01445A-10-0517

NOTICE OF FILING

The RESIDENTIAL UTILITY CONSUMER OFFICE ("RUCO") hereby files this Notice of  
Errata in the above-referenced matter. RUCO filed Rodney L. Moore's direct rate design  
testimony on December 12, 2011. Attached please find Mr. Moore's Revised Schedules RD-2  
for Casa Grande and Stanfield with corrected calculations.

RESPECTFULLY SUBMITTED this 15<sup>th</sup> day of December, 2011

Michelle L. Wood  
Chief Counsel

1 AN ORIGINAL AND THIRTEEN COPIES  
2 of the foregoing filed this 15<sup>th</sup> day  
3 of December, 2011 with:

4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007

8 COPIES of the foregoing hand delivered/  
9 Mailed or emailed this 15<sup>th</sup> day of December, 2011 to:

10 The Honorable Sarah Harpring  
11 Administrative Law Judge  
12 Hearing Division  
13 Arizona Corporation Commission  
14 1200 West Washington  
15 Phoenix, Arizona 85007

16 Janice Alward, Chief Counsel  
17 Wes Van Cleve  
18 Legal Division  
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By   
Ernestine Gamble

## MEMORANDUM

TO: William Rigsby, Chief Accounting and Rates

FROM: Rodney Moore, Public Utilities Analyst V

DATE: December 14, 2011

RE: Computation error in the Typical Bill Analysis for Casa Grande & Stanfield customers on the Pinal Valley System within the pending Arizona Water Company's rate case. Docket No. W-01445A-10-0517.

Specifically, the "Present Monthly Water Cost" was incorrectly calculated for those residential customers on a 5/8" X 3/4" meter, consuming at the "100% of the Average" level only.

Casa Grande customers of the Pinal Valley System consuming an average of 8,610 gallons per month are actually paying a monthly bill of \$29.51, not \$28.91 as stated on RUCO witness Rodney Moore's Schedule RD-2.

Stanfield customers of the Pinal Valley System consuming an average of 8,271 gallons per month are actually paying a monthly bill of \$39.17, not \$37.85 as stated on RUCO witness Rodney Moore's Schedule RD-2.

Revised Schedules RD-2 for Casa Grande and Stanfield stating the correct calculation are attached.

REVISED TYPICAL RESIDENTIAL BILL ANALYSIS

LINE NO.	DESCRIPTION	(A) PRESENT	(B)	(C) COMPANY PROPOSED	(D)	(E) RUCO PROPOSED	(F)
<b>RESIDENTIAL (5/8" X 3/4") RATE DESIGN</b>							
1	BASIC MONTHLY CHARGE COMMODITY CHARGE	\$ 15.79		\$ 21.75		\$ 18.42	
2	First Tier - First 3,000 Gals.	\$ 1.3700		\$ 1.7111		\$ 1.6071	
3	Second Tier - Next 7,000 Gals.	\$ 1.7123		\$ 2.1389		\$ 2.0177	
4	Third Tier - Over 10,000 Gals.	\$ 2.1406		\$ 2.6736		\$ 2.4972	
<b>RESIDENTIAL BILL COMPARISONS</b>							
COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE WITH PERCENTAGE INCREASE IN BILL		% OF AVERAGE MONTH USAGE 8,610		PRESENT MONTHLY WATER COST	RUCO PROP'D MONTHLY WATER COST	RUCO PROP'D MONTHLY INCREASE	RUCO PROP'D MONTHLY % INCREASE
5		2,152	25.00%	\$ 18.74	\$ 21.88	\$ 3.14	16.76%
6		4,305	50.00%	\$ 22.13	\$ 25.87	\$ 3.74	16.90%
7		8,610	100.00%	\$ 29.51	\$ 34.56	\$ 5.05	17.13%
8		12,915	150.00%	\$ 38.13	\$ 44.64	\$ 6.52	17.10%
9		17,220	200.00%	\$ 47.34	\$ 55.39	\$ 8.05	17.01%

REVISED TYPICAL RESIDENTIAL BILL ANALYSIS

LINE NO.	DESCRIPTION	(A) PRESENT	(B) PRESENT	(C) COMPANY PROPOSED	(D) COMPANY PROPOSED	(E) RUCO PROPOSED	(F) RUCO PROPOSED
<b>RESIDENTIAL (5/8" X 3/4") RATE DESIGN</b>							
1	BASIC MONTHLY CHARGE COMMODITY CHARGE	\$ 15.79		\$ 21.75		\$ 18.42	
2	First Tier - First 3,000 Gals.	\$ 2.4379		\$ 1.7111		\$ 1.6071	
3	Second Tier - Next 7,000 Gals.	\$ 3.0476		\$ 2.1389		\$ 2.0177	
4	Third Tier - Over 10,000 Gals.	\$ 3.8097		\$ 2.6736		\$ 2.4972	
<b>RESIDENTIAL BILL COMPARISONS</b>							
	COST OF WATER SERVICE AT DIFFERENT LEVELS OF USAGE WITH PERCENTAGE INCREASE IN BILL		% OF AVERAGE MONTH USAGE 8,271	PRESENT MONTHLY WATER COST	RUCO PROP'D MONTHLY WATER COST	RUCO PROP'D MONTHLY INCREASE	RUCO PROP'D MONTHLY % INCREASE
5		2,068	25.00%	\$ 20.83	\$ 21.74	\$ 0.91	4.38%
6		4,135	50.00%	\$ 26.56	\$ 25.53	\$ (1.03)	-3.88%
7		8,271	100.00%	\$ 39.17	\$ 33.88	\$ (5.29)	-13.51%
8		12,406	150.00%	\$ 53.60	\$ 43.37	\$ (10.23)	-19.08%
9		16,542	200.00%	\$ 69.36	\$ 53.70	\$ (15.66)	-22.58%